



DRAFT

**CITY OF SCOTTSDALE HOUSING BOARD
REGULAR MEETING
ONE CIVIC CENTER
3RD FLOOR CONFERENCE ROOM
7447 EAST INDIAN SCHOOL ROAD
SCOTTSDALE, ARIZONA
MARCH 14, 2006**

PRESENT: Del-Monte Edwards, Chairman
Joe Priniski, Vice-Chairman
Gary Morgan, Board Member
Sheldon Sigismund, Board Member
Michele Swinick, Board Member (arrived at 5:08 p.m.)

ABSENT: George Leonard, Board Member
George Sutherland, Board Member

STAFF PRESENT: Judy Register, C & R General Manager

GUESTS: Mark Bethel, Community Assistance Manager
Donna Bronski, City Attorney's Office
Paul Ludwick, Human Services Manager

PUBLIC: Desiree Snyder, ASU Student
Jessica Snyder, ASU Student

1. **CALL TO ORDER/ROLL CALL**

Chairman Edwards called the regular meeting of the Scottsdale Housing Board to order at 5:03 p.m. A formal roll call confirmed the members present as stated above.

2. **REVIEW AND APPROVAL OF PREVIOUS MINUTES**

January 10, 2006 Housing Board Meeting

Board Member Morgan requested that Vice-Chairman Edwards be changed to Priniski in the first sentence of the Call to Order/Roll Call section.

BOARD MEMBER MORGAN MOVED FOR APPROVAL OF THE JANUARY 10, 2006 HOUSING BOARD MEETING MINUTES AS AMENDED. BOARD MEMBER SIGESMUND SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY BY A VOTE OF 4 (FOUR) TO 0 (ZERO).

February 14, 2006 Housing Board Meeting

BOARD MEMBER MORGAN MOVED FOR APPROVAL OF THE FEBRUARY 14, 2006 HOUSING BOARD MEETING MINUTES. BOARD MEMBER SIGESMUND SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY BY A VOTE OF 4 (FOUR) TO 0 (ZERO).

3. **COMMENTS REGARDING ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING (AI)**

Mr. Paul Ludwig presented an updated version of the Analysis of Impediment to Fair Housing document, inviting the Housing Board to provide any last comments or questions. He pointed out that there is a provision to incorporate public comments on an ongoing basis, which will keep the document alive for the future.

Mr. Ludwig brought up specific issues modified in the Executive Summary on pages 9 and 10 since the last meeting.

The bottom two lines of page 10:

Row 1—Addresses the issue of minority households being denied mortgages due to the inability to secure mortgage insurance. Since securing mortgage insurance is not a choice, this is included in the document so all counties can determine why this happens.

Line 2—Board Member Morgan brought up the issue of NIMBY attitudes at the last meeting. The language has since been modified to increase community acceptance and improve levels of tolerance among residents.

Mr. Ludwig also reported the new ADA Coordinator made minor adjustments on the Comments Page relating to: headings, her position and responsibilities, and ADA issues as they relate to fair housing.

In response to inquiry by Board Member Sigesmund, Mr. Ludwig stated that the AI had not been specifically sent to any real estate agency. It had been sent to: the City of Scottsdale Office of Diversity and Dialog, the Fair Housing Council; the Arizona Fair Housing Partnership (some realtors listed); and the State of Arizona Technical Assistance Coordinator.

Mr. Ludwig invited the Housing Board to submit a list of real estate organizations they would like the AI to be sent to. Board Member Sigesmund recommended the Scottsdale Association of Realtors. Ms. Register agreed to provide the email address of their contact John Packham, an officer on the Board of Realtors.

In response to Board Member Morgan's question, Mr. Ludwig reviewed the annual funding process after submission of the City's Five-Year Plan of Action. Elaborating how the inclusion of the Analysis of Impediments and a Fair Housing

Plan promote community fair housing, home mortgage disclosure, and general citizen comments, Mr. Ludwig pointed out that once the documents are adopted, they are used as a measurement of the City's annual progress in furthering fair housing.

Vice-Chairman Priniski inquired as to which of the barriers are persistent problems. Mr. Ludwig identified the following issues which they saw five years ago and have not lessened:

1—People knowing how to file a fair housing complaint on discrimination. Current study results had the same percentage as it did five years ago.

2—Reasonable accommodation for people with disabilities (education portion is new). City only has the obligation to advise people of their responsibility.

3—Housing affordability gap for Scottsdale employees living outside of the City has widened, developing stresses between communities.

4—Attitudes of sellers and landowners (i.e. landlords turning down people with disabilities for various reasons).

Mr. Ludwig agreed to take tonight's minutes and summarize the discussion comments and suggested changes for implementation to the AI.

4. **REPORT OF THE SUBCOMMITTEE ON CONDOMINIUM CONVERSIONS
AND HEALTH/SAFETY CONCERNS**

Ms. Register began the discussion by presenting a Condo Conversion Application Chart for 2006. Discussion ensued regarding the market starting to slow down.

Board Member Morgan summarized the Board's white paper condo conversion efforts over the past two months, taking into account the State statutes and how they may affect the language. He requested that the Board review and agree on the basic wording, noting that the Board needs to be cognizant of the time needed for submission to City Council.

In response, Ms. Register explained that once Donna Bronski and Ed Gawf review it, the white paper is submitted to Jan Dolan and City Council for agenda consideration, followed up by Chairman Edwards. She noted that they may want to wait until after the City Council election.

Board Member Morgan requested that the Board go through the white paper draft once more before adopting it at the next meeting. Discussion ensued regarding the following changes to be made to the white paper draft:

Page 1:

In the first paragraph under Executive Summary, begin a new paragraph starting with—*While there would ordinarily be a list of comprehensive recommendations...*ending with *ARS33-1205*.

Move the second sentence in the first paragraph on page 2, which follows ARS33-1205. It should now read—*Consequently, the recommendations outlined below are grouped into either short term objectives or long-term objectives. The short-term objectives are those that meet the statute and can be enacted immediately. The long term objectives should require a change at the State legislative level.*

The second sentence of the original second paragraph now ends with—*3426 housing units.*

The fifth/sixth sentences of the original second paragraph now read—*At this pace, it is anticipated that there will be an adverse impact on the availability of rental housing in the city. In order to maintain the high quality of housing stock in Scottsdale it is important to establish standards for projects that undergo the condominium conversion process.*

Discussion:

Board Member Morgan suggested the addition of the following sentence at the beginning of Arizona Revised Statute at the top of page 2: *All of the objections cannot be easily or immediately incorporated into the new City policy because of possible conflict with...* Discussion ensued regarding the importance of the limitations caused by the State Statute and whether they should be included at the beginning of the white paper, considering the review time of City Council.

Page 2:

Delete the original fourth sentence of the first paragraph starting with—*The transition from apartments...* and move the items from the bulleted list onto pages 3 and 4, incorporating them underneath the Long Term section wherever appropriate.

In the third sentence of the first paragraph under "Recommendations," insert *revision*, after the words "City Code."

Delete the last sentence in parenthesis located at the end of the last paragraph on page 2—*(GM – This would provide...)*.

Discussion:

Board Member Sigesmund presented a copy of the white paper reflecting his suggested changes. He suggests the top paragraph on the second page and the bulleted list be moved to the first page after ARS33-1205. Board Member Sigesmund argued that in light of City Council's review time, the beginning of the document should be focused on the short-term objectives.

Board Members agreed to move the bullet point list to the Long Term section indicating further study. They agreed to keep the paragraph numbering the way it is for easy reference.

Page 3:

Switch paragraphs 2 and 3—new #2 will be *Multi-Family Real Estate Transfer Form*; and new #3 will be *Zoning and Building Permit Compliance*.

Add a new sentence at the end of the new Multi-Family paragraph—*The Housing Board is happy to work with City staff in the development of this document.*

Add (ARS 33-1205) at the end of the #5 title.

Ms. Register agreed to streamline the #5 and #6 paragraphs into two concise sentences each. Chairman Edwards undertook to e-mail Ms. Register new wording for paragraph #6.

Discussion:

Ms. Bronski suggested adding a new sentence regarding the Board working with City staff to develop the white paper.

Board Member Morgan suggested adding *and government agencies* after municipalities in the first paragraph under #5, and add *or clarify* before State law. Chairman Edwards stated that they should leave the first sentence as it is, since the Board is only working to change State law.

Board Member Sigesmund suggested that the last sentence of the #6 paragraph include wording about adequate reserves being provided for management and maintenance. Discussion followed regarding reserves, a due diligence period, and whether sellers have to provide a disclosure statement.

Page 4:

Delete at the end of the paragraph #7—*while taking into consideration the age of project being converted.*

Delete heading #8 and move that paragraph up below paragraph #7.
Delete notation at the end of the old paragraph #8.

Change #9 title to #8—Develop Standards for Evaluating Site Conditions

Delete the paragraph above the Background section—*The Housing Board agrees on these...provisions of ARS 33-1205.*

Discussion:

Board agreed to delete the paragraph before "Background" in order to eliminate confusion.

Page 5:

Ms. Register agreed to have the fifth paragraph of the Research section along with its bullet points reviewed by Frank Gray and Donna Bronski for comments and rewording.

Discussion:

Ms. Bronski questioned the meaning of the first sentence in the fifth paragraph and articulated that the Board is probably trying to say that the City cannot apply the current standards to the structures because of the State law.

Board Member Morgan pointed out that the second bullet point is not a correct statement. There is no difference in safety code standards. Board Member Sigismund suggested that "safety standards" be replaced with "building specifications." Discussion followed.

Page 6:

On the 8th bullet point, change "track" to "*tract*."

Add a sentence at the end of the first paragraph under Conclusion—*The Board awaits direction from the City Council on any additional work the Housing Board may do to advance these recommendations.*

Discussion:

Ms. Bronski suggested that a sentence be added at the end of the Conclusion section regarding the Housing Board awaiting direction from City Council.

Board Member Morgan requested that any other comments or additions be sent to Ms. Register for incorporation into the next draft. Chairman Edwards stated that they have 29 days to finish the white paper.

Ms. Register agreed to incorporate all changes into the next draft and then email it on to Chairman Edwards for review before the next meeting.

5. **CHAIRPERSON'S REPORT**

Chairman Edwards reported that he asked Mr. Bethel to forward a copy of the draft Agreement to be worked out with CSA. He and Board Member Morgan attended all of the Human Services Commission meetings and went through the recommendation voting cycle. He added that one recommendation was funding CSA to acquire more property. Chairman Edwards reported that they made comments that have been incorporated into the contract, and it will be available soon for review by the Board.

Chairman Edwards indicated that the CSA has a chance to do more affordable housing. The CSA has done a good job and the Housing Board should keep supporting them as long as the Board is apprised of their actions.

6. **STAFF REPORT**

Ms. Register reported that the Housing Board is invited by the Mayor to attend the Neighborhood Day at the Legislature. Every year approximately 30 citizens from across the Valley have the opportunity to have lunch with the Mayor and State legislature. She recommended that Board members attend this event to interact with other neighborhood groups and legislators in order to discuss the ARS statute with regards to condo conversions.

7. **FUTURE AGENDA ITEMS**

Board Member Morgan requested that they add Condo Conversions to a future agenda for further discussion.

8. **OPEN CALL TO THE PUBLIC** (A.R.S. § 38-431.02)

No members of the public wished to address the Board. ASU students Desiree and Jessica Snyder sat in on the meeting for preparation of a report for their Urban Planning Class.

9. **ADJOURNMENT**

With no further business to discuss, being duly moved and seconded, the meeting adjourned at 6:44 p.m.

Respectfully submitted,
A/V Tronics, Inc.